MUNIS

TENTATIVE BUDGET PROCESSING (BGL-7)

MAY 2001

VERSION (5.0)

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TENTATIVE BUDGET PROCESSING

OVERVIEW

This document provides instructions for generating the Tentative Budget in MUNIS for:

1. Annual Funds
2. Multiyear Funds (Fund 2 - Special Revenue and Fund 360 - Construction Fund).

The Tentative Budget contains the projected revenues and expenditures for the coming fiscal year and is the source of the data reported in the *Tentative Budget Report (STW_GL-6)*. State law requires that the local board adopt a Tentative Budget by May 30 of each year.

What is a Budget Projection?

A Budget Projection is a work file for creating new year budgets. When a Budget Projection is generated, all active budgetary G/L accounts within selected fund(s) are copied to a file.

Accounts in the Budget Projection file are NOT automatically updated when changes such as adding or deleting accounts are made through G/L Account Maintenance. When changes are made to G/L Master, a budget function entitled **Master** must be run to update the Budget Projection file with those changes.

Current year revised budget amounts can be automatically placed on accounts within a Budget Projection using the **Roll/Factor** function in MUNIS. Roll/Factor can also be used to create multiple projection levels within a single Budget Projection file. Roll/Factor '**rolls**' (copies) amounts from current year revised budget, next year requested budget, or from one projection level to another.

Specific Budget Projection levels must be used to generate the Draft and Tentative Budget reports. The Draft Budget Report requires a budget in Level 2. The Tentative Budget Report must be generated from a budget in Level 3.

A Budget Projection file does not affect current year budgets. Budgets for accounts within the projection file can be added, modified and deleted as often as necessary.

What is a Multiyear Fund?

A Fund is multiyear when budgeted amounts in that Fund may be received and expended over a period extending beyond one fiscal year. **Fund 2** is a **Multiyear Fund**. Grants (projects) often have a balance at the end of the fiscal year that may be expended in the new year. **Fund 360** is also a **Multiyear Fund**. Construction projects normally span more than one fiscal year.

NOTE: *A budget projection for Fund 360 is highly unlikely. Most Fund 360 budgets are created through Budget Amendments at the time the bonds are*

issued. If a budget projection is necessary for Fund 360, simply follow the steps for a Fund 2 projection.

A Budget Projection is created one time for a project - in the year of its inception. After a budget completion is processed on a project, that budget remains with the project accounts over the lifetime of the project. A Budget Projection is generated each year ONLY for new year projects. MUNIS allows the user to include only selected accounts within a specified Fund in a Budget Projection. Using this feature, only new year Project Accounts can be selected for inclusion in the Fund 2 (Special Revenue) projection.

NOTE: *Before a budget projection can be generated for project accounts, the accounts must be added in MUNIS. See the document entitled Mass Create New Projects and Accounts (BGL-5) in the MUNIS Budget/General Ledger User Guide for instructions.*

CHECKLIST FOR PROCESSING TENTATIVE BUDGET

Annual Funds:

☐ 1. Roll the Draft Budget Projection (Level 2) into the Tentative Budget Projection (Level 3).

☐ 2. Run Master, <u>if necessary</u>, to update the Projection File with new accounts or to delete accounts which have been removed from the Chart of Accounts.

Multiyear Funds:

☐ 1. Verify that Fund 2 is designated as a Multiyear Fund with Budgetary Method '1' in the Fund Attribute Table.

☐ 2. Generate a Budget Projection for Fund 2 (Special Revenue).

☐ 3. Run Master, <u>if necessary</u>, to update the Projection File with new accounts or to delete accounts which have been removed from the Chart of Accounts.

☐ 4. Roll the Fund 2 projection from Level 1 (Requested) to Level 3 (Tentative).

Annual and Multiyear Funds:

☐ 1. Enter and verify budgets for designated accounts in Level 3.

☐ 2. Generate Next Year Budget Reports to verify budget entry and to compare budget amounts against prior year budgeted and actual expenditures. Refer to the document entitled ***Next Year Budget Reports (MUNIS_BD-1)*** in the ***MUNIS Budget/General Ledger User Guide***.

☐ 3. Repeat steps 1-2 during the budgeting process as often as necessary to finalize the Tentative Budget.

Generating the Tentative Budget Report:

Refer to the document entitled *Tentative Budget Report (STW_GL-6)* in the *Budget/General Ledger User Guide* for assistance when generating the Tentative Budget Report.

BUDGET PROCESSING FOR ANNUAL FUNDS

Rolling the Budget Projection for Annual Funds

Roll your Draft Budget from **Level 2** (Draft Budget) into **Level 3** (Tentative Budget). Draft budget figures will automatically be placed into **Level 3 (Tentative)**. This process will take several minutes to complete, depending upon the number of accounts in the draft budget projection.

To Roll the Budget Projection from Draft into Tentative, Select:

A) FINANCIALS

   B) Budget Menu

      F) Roll/Factor/Merge Projection

1. Verify that the projection number displayed is the correct projection to use. If not, select **Find**, enter the **correct projection number**, and press **ESC** to bring up the correct projection.

2. Select **Roll/Factor** from the Ring Menu.

3. After again verifying that the correct projection is displayed, select **Find** from the Ring Menu and press **ESC** to select all accounts.

4. Select **Roll/Factor**.

5. Enter the following field details in the window displayed:

   - Roll/Factor From Level = **2 (Draft)**

   - Roll/Factor to Level = **3 (Tentative)**

   - Factor Percentage (Leave blank unless doing an automatic percentage increase.)

   - Overlay any existing amounts = **O**

6. Respond **Y** to the "**Process the update?"** prompt. Press **Enter**.

The Draft Budget on all Annual Fund accounts in the projection will be placed into budget level 3 (Tentative Budget). This process will take several minutes to complete, depending upon the number of accounts.

> Refer to the section of this document entitled *Budget Processing for Both Annual and Multiyear Funds* when entering budgets for designated accounts within the projection and when preparing to run the Tentative Budget Report.

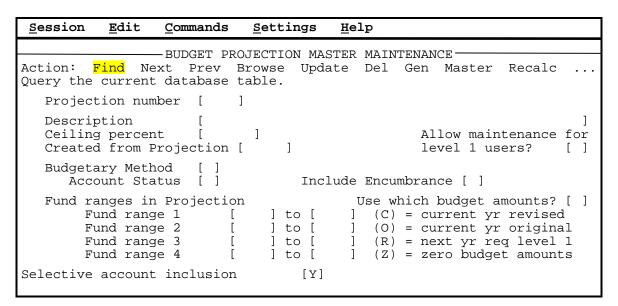## Running Master for the Annual Fund Budget Projection

The **Master** Ring Menu option keeps the Projection File synchronized with the G/L Master Accounts. Any accounts added through normal G/L Master File Maintenance since the Budget Projection was generated will be added to the Budget Projection. Conversely, accounts deleted from the G/L Master will be deleted from the projection.

NOTE: *All accounts in a Budget Projection MUST exist in G/L Master before a Budget Completion can be successfully processed.*

To Run Master, Select:

A) FINANCIALS

    B) Budget Menu

        A) Define/Start Budget Projection

The following screen is displayed:

```
 Session    Edit    Commands    Settings    Help

─────────────────BUDGET PROJECTION MASTER MAINTENANCE─────────────
Action:  Find  Next  Prev  Browse  Update  Del  Gen  Master  Recalc  ...
Query the current database table.

    Projection number  [     ]

    Description        [                                          ]
    Ceiling percent    [      ]                   Allow maintenance for
    Created from Projection [    ]                level 1 users?    [ ]

    Budgetary Method   [ ]
       Account Status  [ ]           Include Encumbrance [ ]

    Fund ranges in Projection           Use which budget amounts? [ ]
       Fund range 1      [    ] to [    ]  (C) = current yr revised
       Fund range 2      [    ] to [    ]  (O) = current yr original
       Fund range 3      [    ] to [    ]  (R) = next yr req level 1
       Fund range 4      [    ] to [    ]  (Z) = zero budget amounts
Selective account inclusion          [Y]
```

1. Select **Find** from the Ring Menu.

2. Enter the number of the **Budget Projection** and press **ESC**.

3. Select **Master** from the Ring Menu and press **ESC** to update accounts in the projection based on the current G/L Master.

BUDGET PROCESSING FOR MULTIYEAR FUNDS

This section provides instructions for generating a Budget Projection for Fund 2 (Special Revenue).

NOTE: *All new year Projects must be added to the Project Master. All new year Project Accounts must be added to the G/L Account Table before generating a Budget*

Projection. See the document entitled Mass Create New Projects and Accounts (BGL-5) in the MUNIS Budget/General Ledger User Guide for instructions.

Verifying the Fund Attribute Table

Access the Fund Attribute Table to verify that Fund 2 is designated as a Multiyear Fund with a Budgetary Method **1**.

To Access the Fund Attribute Table, Select:

A) FINANCIALS

    A) General Ledger Menu

        A) Auxiliary Files Menu

            B) Fund Attributes

The following screen is displayed:

```
 Session    Edit    Commands    Settings    Help
─────────────────────────────────────────────────────────────────
──────────────── G/L FUND ATTRIBUTE MAINTENANCE ─────────────
Action:  Find  Next  Prev  Browse  Add  Update  Del  Output  Exit  ...
Query the current database table.


 Fund code     [   ]

 Is this a multi-year Fund?  [ ]

 Standard Fiscal year?       [ ]

      First period is        [ ]

 Fund type                   [ ]

 Budgetary method            [ ]

 Revolving fund?             [ ]

 Payroll Expense by Fund     [ ]
                                    1 OF 1
```

1. Select **Find** from the Ring Menu.

2. Enter **2** in the **Fund Code** Field.

3. Press **ESC** to retrieve the records for verification.

4. If necessary, update the following:

   - Is this a Multiyear Fund? to **Y**

   - Budgetary Method to **1**

Generating a Budget Projection

A Budget Projection for Multiyear Funds should include **only new year** Project Accounts. This can be accomplished by selecting specific accounts for inclusion in the projection.

To Generate a Budget Projection for Fund 2, Select:

A) FINANCIALS

    B) Budget Menu

        A) Define/Start Budget Projection

The following screen is displayed:

```
 Session    Edit    Commands    Settings    Help

────────────────BUDGET PROJECTION MASTER MAINTENANCE─────────────────
Action:  Find  Next  Prev  Browse  Update  Del  Gen  Master  Recalc  ...
Generate a new data item.

    Projection number  [    ]

    Description       [                                              ]
    Ceiling percent     [0.00]                     Allow maintenance for
    Created from Projection [    ]                  level 1 users?    [Y]

    Budgetary Method   [1]
      Account Status  [ ]              Include Encumbrance [ ]

    Fund ranges in Projection              Use which budget amounts? [R]
        Fund range 1      [  2 ] to [ 2  ]  (C) = current yr revised
        Fund range 2      [    ] to [    ]  (O) = current yr original
        Fund range 3      [    ] to [    ]  (R) = next yr req level 1
        Fund range 4      [    ] to [    ]  (Z) = zero budget amounts

Selective account inclusion                  [Y]
```

1. Select **Gen** from the Ring Menu to generate a new projection.

2. Enter the following details:

   - Projection Number (e.g., 20022)

   - Description (e.g., 'FY 2001-2002 Fund 2 Budget Projection')

   - Ceiling percent (**.00** is the default. If you wish to impose a percent limit on the budget increase, enter the appropriate percentage.)

   - Allow maintenance for level 1 users? (Default is **Y**. Do not change.)

   - Budgetary Method to **1** (from Budget Appropriation process)

   - Fund Range 1 as **2 to 2** (yields Fund 2 accounts only)

   - **Selective account inclusion** to **Y**. This **MUST** be used to narrow the range of accounts to include only new year projects in the projection.

     The following window appears to narrow the selection criteria:

```
 Session    Edit    Commands    Settings    Help

────────────────BUDGET PROJECTION MASTER MAINTENANCE─────────────────
Generate:  ESC to GENERATE, CTRL-P TO CANCEL
Narrow the range of accounts included in this projection? (Y/N)

    Projection number  [    ]

 Enter the number of the segment to be used to narrow selection of accounts.

                                          SEGMENTS
    Segment number  [ 10 ]                 2  Unit
                                           3  Function
    Start position  [4]                    4  Program
    End position    [4]                    5  Inst Level
                                           9  Object
    Value to match [  2]                  10  Project
```

```
    Ceiling percent    [    ]                  Allow maintenance for
    Created from Projection [     ]            level 1 users?    [ ]


    Budgetary Method   [1]
       Account Status  [ ]   Include Encumbrance [ ]


    Fund ranges in Projection
        Fund range 1  2    ] to [2    ]
```

Enter the following selection criteria in the opened window:

a) Segment number is **10** (Project Code)

b) Start and End position (of the Segment selected) is **4**

c) The fourth position of every Project Number denotes the fiscal year. Entering the starting and ending position as **4** limits the account selection to those accounts with a specified value (Value to Match) in the fiscal year position.

d) Value to match. Enter **2** for budget year 2001 and press **Enter**. (The value to match is the last digit of the budget year.) The projection will retrieve all Fund 2 accounts with **2** as the 4th character of the Project.

The selection criteria window closes, and you are returned to the main screen.

- Enter **R** in the **Use which budget amounts** field.

NOTE: *This pulls the amount from the Next Year Requested Budget field that was populated at the time the new project(s) and accounts were created. See the document entitled Mass Create New Projects and Accounts (BGL-5) in the MUNIS Budget/General Ledger User Guide for further information.*

3. Press **ESC** to generate the projection. The number of accounts that will be generated is reported.

4. Respond **Y** to **Create the projection and detail records**.

Running Master for Multiyear Fund Budget Projections

Just as Annual Fund Budget Projections must be kept synchronized with the G/L Master, the **Master** ring menu option must be run for Multiyear Fund Budget Projections to keep those Projection Files synchronized with the G/L Master.

The **Master** function will consider only new year Project Accounts when comparing G/L Master accounts to accounts in a Multiyear Fund Budget Projection if selective account inclusion criteria was used to generate the Budget Projection. Subsequent actions with the projection use the selective account inclusion parameters established during the creation of the projection.

NOTE: *All accounts in a Budget Projection MUST exist in G/L Master before a Budget Completion can be successfully processed.*

To Run Master for Multiyear Funds, Select:

A) FINANCIALS

    B) Budget Menu

        A) Define/Start Budget Projection

1. Select **Find** from the Ring Menu.

2. Enter the number of the **Budget Projection** to run Master and press **ESC**.

3. Select **Master** from the Ring Menu.

4. Press **ESC** to update the accounts in the projection based on the current Chart of Accounts.

Rolling the Budget Projection for Multiyear Funds

Roll your Multiyear Fund Requested Budget from **Level 1** (Requested Budget) into **Level 3** (Tentative Budget). Requested budget figures will automatically be placed into **Level 3 (Tentative)**. This process will take several minutes to complete depending upon the number of accounts in the requested budget projection.

To Roll the Budget Projection from Requested into Tentative, Select:

A) FINANCIALS

    B) Budget Menu

        F) Roll/Factor/Merge Projection

1. Verify that the projection number displayed is the correct projection to use. If not, select **Find**, enter the **correct projection number**, and press **ESC** to bring up the correct projection.

2. Select **Roll/Factor** from the Ring Menu.

3. After again verifying that the correct projection is displayed, select **Find** from the Ring Menu and press **ESC** to select all accounts.

4. Select **Roll/Factor**.

5. Enter the following field details in the window displayed:
   - Roll/Factor From Level = **1 (Requested)**
   - Roll/Factor to Level = **3 (Tentative)**
   - Factor Percentage (Leave blank unless doing an automatic percentage increase.)
   - Overlay any existing amounts = **O**

6. Respond **Y** to the "**Process the update?"** prompt. Press **Enter**.

The Requested Budget on all Multiyear Fund accounts in the projection will be placed into budget level 3 (Tentative Budget). This process will take several minutes to complete, depending upon the number of accounts.

7. Repeat the process of rolling the budget projection (Steps 1-5 above) for each Multiyear Fund budget projection.

Refer to the section of this document entitled ***Budget Processing for Both Annual and Multiyear Funds*** when entering budgets for designated accounts within the projection and when preparing to run the Tentative Budget Report.

BUDGET PROCESSING FOR BOTH ANNUAL AND MULTIYEAR FUNDS

Entering and Verifying Budgets

This is the process of entering, revising, and deleting budgets for designated accounts in a projection. Only annual fund budgetary amounts that differ from the draft budget must be changed since the previous step (Rolling the Budget Projection for Annual Funds) brought forward the draft budgets. Only multiyear fund budgetary amounts that differ from the requested budget (which came from last year's project) must be changed since those amounts were brought forward also.

For the annual funds projection, it is recommended that users select one Org Code (e.g., 0011075) at a time to enter budgets. This will allow MUNIS to total all budgets for selected accounts quickly. The budget entry process is repeated for all Org Codes requiring a new or revised budgetary amount.

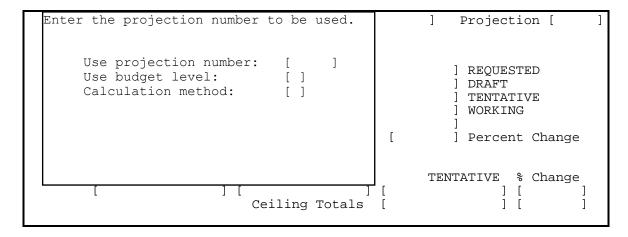For multiyear fund projections, it is recommended that users select one Project Code at a time to enter budgets.

NOTE: *Next Year Budget Entry should be done after rolling the Draft Budget into the Tentative Budget Projection and after generating the multiyear budget projections and rolling them from Level 1(Requested) to Level 3 (Tentative).*

To Enter Budgets, Select:

A) FINANCIALS

    B) Budget Menu

        D) Next Year Budget Entry

1. Select **Find** from the Ring Menu.

    The following screen is displayed:

```
 Session    Edit    Commands    Settings    Help

 ───────────────── NEXT YEAR BUDGET ENTRY ─────────────────
Action: Find  Next  Prev  Browse  Output  Exit  Amts  C=Pct  Detail ..
Query the current database table.
                                          ATHLETIC PROGRAMS
   Account [         ] [      ] [     ]   [                              ]
```

```
Enter the projection number to be used.        ]    Projection [      ]


    Use projection number:    [     ]
    Use budget level:         [ ]              ] REQUESTED
    Calculation method:       [ ]              ] DRAFT
                                               ] TENTATIVE
                                               ] WORKING
                                               ]
                                          [    ] Percent Change


                                          TENTATIVE  % Change
        [               ] [              ] [         ] [        ]
                          Ceiling Totals  [         ] [        ]
```

2. Enter the **Budget Projection number, Budget Level and verify the Calculation Method is defaulting to "1"** and press **Enter**.

NOTE: *If the correct budget level (level 3) is not entered, you will not be allowed to make tentative budget entries.*

3. Enter **Org**, **Object**, **Project** if desired to limit the accounts selected and press **ESC**.

4. Select **Amts** from the Ring Menu and update the budget amount in the **Tentative** field.

5. Select **Output** to **Display**, **Print** or **Spool** a report of budgeted amounts to verify budget entry.

NOTE: *The current screen displays current year budget and expenditure information as well as budget projections established for the next fiscal year.*

Generating Next Year Budget Reports

The Next Year Budget Reports menu includes four report types that provide budget information on accounts within a selected Budget Projection. The reports can be generated during the budgeting process to:

*   Verify budget entry

*   Identify out of balance budget situations

*   Compare next year budgets with budgeted and actual expenditures during current and prior years.

Several report options make these reports very flexible. The three report types are:

1. Next Year/Current Year Budget Analysis

2. Next Year Budget Levels Report

3. Next Year Budget Detail Report.

4. Next Year Budget Historical Comparison Report

Refer to the document entitled *Next Year Budget Reports (MUNIS_BUD-1)* in the *MUNIS Budget/General Ledger User Guide* for instructions on generating these reports.

NOTE: *Next Year Budget Reports are generated for a single Budget Projection.*

GENERATING THE TENTATIVE BUDGET REPORT

Refer to the document entitled *Tentative Budget Report (STW_GL-6)* in the *MUNIS Budget/General Ledger User Guide* for instructions on generating this report.

IMPORTANT: *Do not run the budget completion on either of these projections at this time. This will be performed during the end-of-year closing.*